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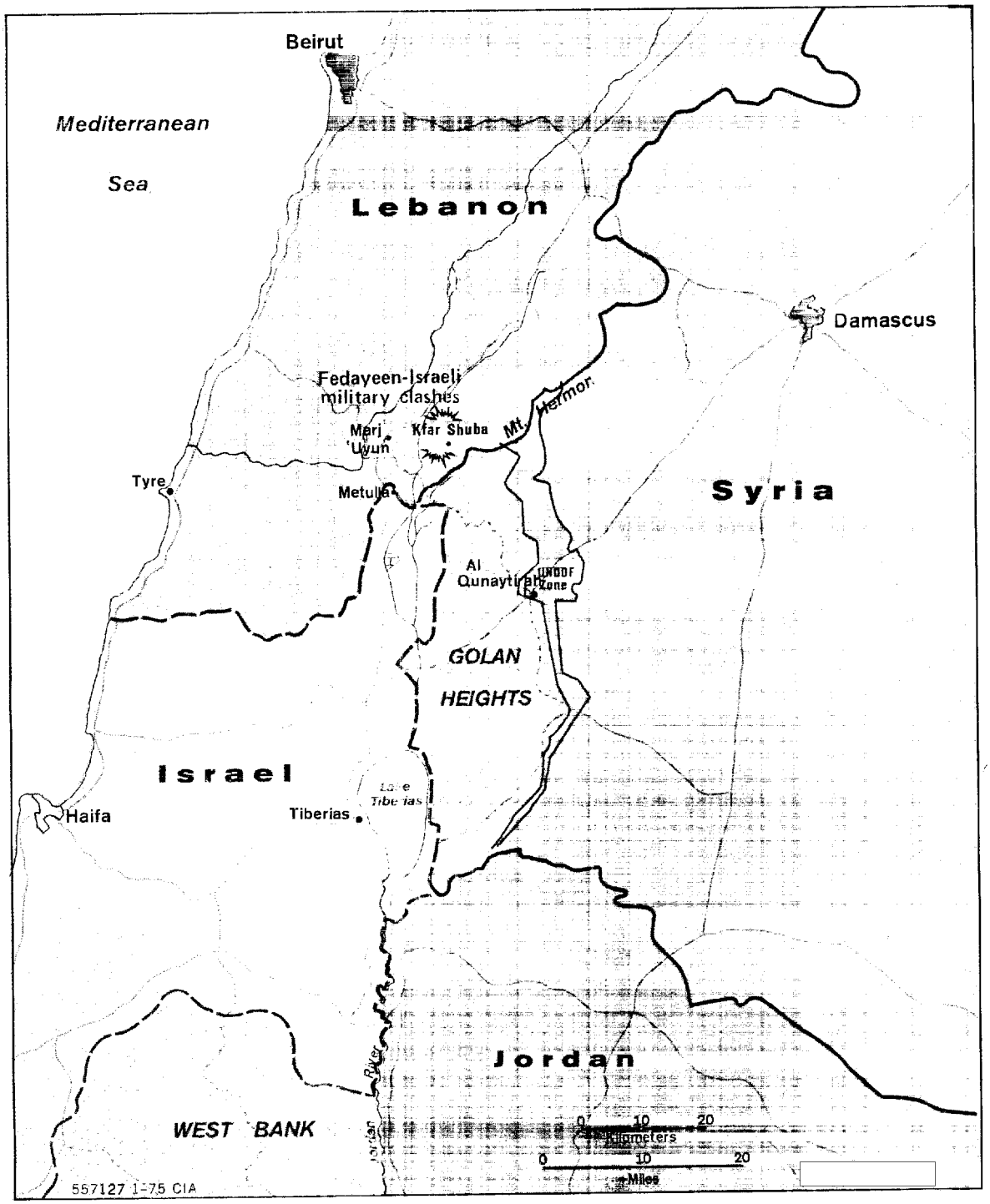
ANNEX: Opposition to South Korean President Pak's government continues. (Page 16)

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LEBANON-ISRAEL-FEDAYEEN

After almost a week of small-scale clashes between the Israelis and the fedayeen, Lebanese forces yesterday fired on Israeli vehicles and artillery positions. They may also have shelled the northern border settlement of Metulla.

A spokesman for the Lebanese Defense Ministry acknowledged firing on the Israeli vehicles and guns and said the action was taken in retaliation for the Israeli shelling of the Lebanese village of Kfar Shuba. Fighting was renewed late Thursday night, according to press reports from Beirut.

Jerusalem radio reports that Israeli military experts hold the Lebanese army, rather than the fedayeen, responsible for all the pre-dawn shellings, including that of Metulla.

Israel contributed to the escalation of tension yesterday by moving tanks across the Lebanese border to fire on fedayeen forces from Kfar Shuba and nearby villages.

An Israeli military spokesman yesterday denied that there had been an "organized incursion" by Israeli units into southern Lebanon, but the Israelis acknowledge that tanks might have crossed the border a few miles "in order to get a clear line of fire."

The Lebanese action is of greater political than military significance. It represents an attempt by the Beirut government to quiet its domestic critics, who are again decrying the Lebanese army's inability to stop the Israeli attacks.

Irate Lebanese villagers this week attempted to occupy a district commissioner's office in Marj Uyun to protest the government's inability to protect them. The demonstration, and the exaggerated press accounts of it,

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reportedly were the work of Communist, Baathist, and pro-fedayeen groups anxious to point up the government's weakened position.

Beirut's inability to restrict the initiatives of either the fedayeen or the Israelis in southern Lebanon has been exposed once again by the fedayeen's newfound willingness to stand and fight and by the Israelis' determination to drive them out of the border villages.

The US embassy in Beirut believes that the Lebanese will reluctantly choose to endure still more wide-ranging Israeli reprisal raids rather than the domestic chaos that would follow a serious attempt by the Lebanese army to control the fedayeen.

The fedayeen appear for the time being to have shifted from cross-border terrorism to more conventional military action, in an effort to throw the Israelis off balance and win Arab acclaim for their willingness to defend southern Lebanon.

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EGYPT

President Sadat has raised the level of his diplomatic rhetoric in an attempt to fend off Arab criticism of his continued involvement in bilateral negotiations for a withdrawal agreement in the Sinai Peninsula.

He seems also to be signaling Israel, while Foreign Minister Allon is in Washington, that a Sinai withdrawal will not mean the end of Arab demands on Israel.

In a newspaper interview in Beirut yesterday, Sadat said he "will not accept anything short of Israeli movement on the three fronts within three months." The Arabic word Sadat used for "movement" has been translated by the press as "withdrawal," but it is not usually used when a pullback of troops is clearly meant.

Sadat probably intended to be deliberately unclear about whether he is demanding diplomatic movement on the Golan and the West Bank fronts or an actual withdrawal of Israeli troops. There seems no doubt, on the other hand, that as far as the Sinai front is concerned, he does mean withdrawal. He reiterated his now standard position that it would be "treason" for any Arab state to refuse any territory that Israel is willing to return.

By being deliberately vague in his meaning, Sadat does not commit himself to anything but diplomatic action on behalf of the other Arabs' negotiating demands, but he does let them know that he will not conclude a unilateral final settlement with Israel. He also reassures the Arabs, particularly Syria, and warns Israel that he will turn his efforts to gaining progress on other fronts when and if a second-stage agreement in the Sinai is concluded.

Sadat undoubtedly intended to convey the same message in a statement to a group of French legislators earlier this week in which he linked, equally vaguely, progress on all three fronts with a decision to extend the mandate of the UN Emergency Force in the Sinai. The mandate expires on April 24.

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Sadat has recently come under increasing criticism in the Arab press for again moving ahead of the other belligerents in negotiations. The Beirut press, particularly Palestinian- and Iraqi-backed newspapers, have recently picked up a month-old Israeli news report indicating that Tel Aviv had asked for an Egyptian commitment to a 12-year suspension of belligerency in return for a pullback in the Sinai. Arab commentators are attacking Egypt for allegedly acquiescing in this demand.

Sadat further emphasized his continuing commitment to the Arab cause by asserting in the interview yesterday that Egypt would "take action and intervene" if Syria were attacked by Israel. He refused, however, to reveal the "military secrets on the method of intervention."

This is the most direct statement the Egyptians have made concerning their readiness to aid Syria if it comes under attack. Sadat avoided a direct pledge to open a second front under these circumstances, but we believe Egypt would be hard pressed to remain out of the fighting for more than a few days.

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USSR

The number of Jews granted permission to emigrate from the Soviet Union to Israel last year was 42 percent less than in 1973, the record year.

Dutch officials who process the applications of Soviet citizens granted permission to leave for Israel say approximately 20,200 emigrants were processed during 1974, down from 34,800 in 1973 and 31,300 in 1972--the peak years of this exodus. The number dropped sharply from the last quarter of 1973 to the first quarter of 1974, but has held steady at about 1,600 a month since last April. An additional 800 Jews left the USSR for the US and other Western countries last year.

The Dutch attribute the decline partly to harassment by the Soviet authorities and partly to a growing indecision on the part of potential applicants. The Soviets have recently added to the red tape involved in applying for permission to emigrate, but threats that applicants will lose their jobs seem to have diminished.

The US embassy reports that the Dutch see no reason to believe the present lower level of Jewish emigration will change. There has so far been no information from Moscow on what impact, if any, the renunciation of the US-Soviet trade agreement of 1972 will have on Soviet Jewish emigration.

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NORTH YEMEN

Colonel Ibrahim al-Hamdi, head of North Yemen's ruling command council, dismissed Prime Minister Muhsin al-Ayni yesterday. A senior cabinet minister has been chosen to head a caretaker government. Hamdi has for some time been under pressure from conservative tribal sheikhs--as well as perhaps from some Saudi Arabian officials--to dismiss Al-Ayni, who is alleged by his enemies to have connections with the leftist Baath Party in Iraq.

Hamdi will probably make additional government changes in the next month or so in order to fulfill promises of a return to civilian government. The military took over in mid-June 1974, but subsequently brought some civilians into the government and re-established the legislature.

Hamdi is expected to dissolve the largely military command council and reconstitute North Yemen's three-member executive body, the republican council. Regardless of these anticipated changes, Hamdi--who is expected to be a member of the council--will undoubtedly remain the country's strongman by virtue of his role as armed forces commander in chief.

The removal of Al-Ayni followed the return to Sana earlier this month of Hasan al-Amri, a former prime minister and military officer. The strongly conservative Al-Amri has been in exile in Cairo since he was banished from the country in August 1971 after killing a Sana photographer during a personal quarrel. Al-Amri was prime minister at the time of the incident. Although the circumstances of Al-Amri's return to Sana are still murky--he flew into North Yemen on a Saudi plane--there is widespread speculation in Sana that he will be named to a high government position.

The name of another former prime minister, Abdallah Hajri, a religious conservative who also has ties to the Saudis, is being prominently mentioned as a possible replacement for Al-Ayni and for a spot on the republican council.

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Al-Ayni's ouster probably presages a shift to the right by the North Yemen government, as well as the eventual removal of moderate leftists from the cabinet and bureaucracy. Although the moderate Hamdi reportedly has solid support in the military, the removal of Al-Ayni may cause some unhappiness among junior officers with Baathist views.

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COSTA RICA - CUBA

The recent visit of a large congressional delegation to Cuba has strengthened the already good chances of commercial ties. Moreover, it is likely that many legislators will urge President Oduber to normalize diplomatic relations as well.

Castro may be counting on this reaction to overcome Oduber's hesitancy to act in the face of ex-president Figueres' antipathy toward Castro. Oduber himself may also be hoping that legislative pressures will be such that he will be able to override the wishes of Figueres without alienating either Figueres or anti-Castro groups in Costa Rica.

The Costa Rican legislators--42 out of 57 deputies--were favorably impressed during their ten-day visit to Cuba that ended last week. The deputies, and the heads of autonomous agencies who accompanied them, have praised their hosts and the socio-economic gains they have achieved.

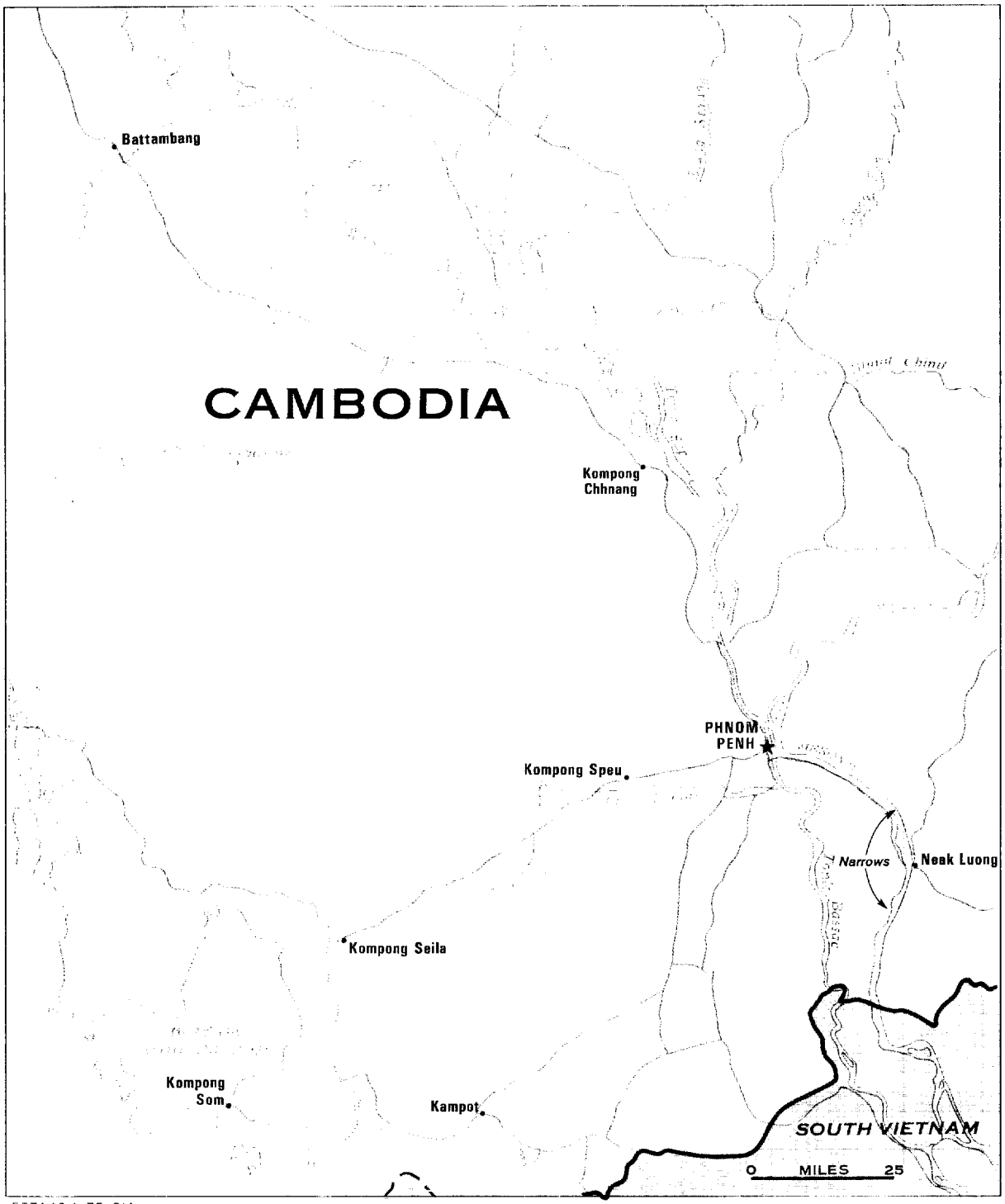
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CAMBODIA

Communist pressure against the naval base at Neak Luong and nearby government positions along the east bank of the Mekong River has eased somewhat. Meanwhile, Cambodian army units on the west bank of the Mekong opposite Neak Luong are holding their ground and have inflicted heavy casualties on the Communists.

Naval convoys are continuing to ferry troops and supplies into the area from Phnom Penh. More government aircraft are now being diverted from other battlefronts near the capital to support defenders at Neak Luong and clearing operations on Route 1 some 15 miles southeast of Phnom Penh. Government units participating in the push down Route 1 have also received reinforcements.

Although government prospects for recapturing all the ground lost along the Mekong in the near future are not good, the army should be able to provide enough security for those convoys essential to the continued survival of the government.

The army has also taken advantage of the reduced presence of Communist forces around the government enclave at Kompong Seila on Route 4 in the far southwest. The enclave has been isolated and under siege since May 1974. Helicopters are taking reinforcements into the area and are evacuating the wounded. Kompong Seila has been the target of the Communists' longest siege of the war and has been subjected to intense attacks by fire--up to 1,000 rounds a day.

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DENMARK

Danish Prime Minister Hartling's Moderate Liberals, having failed to reach agreement with the Social Democrats on a coalition, will now have to either go it alone or look for partners within the center bloc of four small parties. In either case, Hartling will have a tough time getting his legislative program through the 179-seat parliament.

The Social Democrats--the largest party in parliament with 53 seats--were apparently even more unyielding in the talks with the Prime Minister than during the election campaign. They refused to consider participation or cooperation with a Moderate Liberal - led government and called for Hartling's resignation. The mutual dislike between the two party leaders and the Social Democrats' opposition to Hartling's "crisis plan" to bolster Denmark's flagging economy were important factors in their attitude.

Soundings taken with all other parties represented in parliament indicate that Hartling probably would have majority backing to continue in office as a minority government. According to the US embassy, Progressive Party leader Mogens Glistrup has told Hartling that he will not support a motion of no confidence. Hartling cannot, however, count on Glistrup's support for ordinary legislative matters, including his economic plan.

Hartling thus is in much the same position he was before the election. He called the election to increase support for his economic program when it became clear that the plan would not receive majority backing in parliament. Although the Moderate Liberals--with 42 seats--nearly doubled their strength, they are still far short of a majority. Hartling's options are to continue in a minority status and water down his economic plan, resign in favor of another government formateur, or call still another election.

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WEST GERMANY

Bonn is encouraging pre-emptive purchases of the stock of key West German corporations by domestic banks. Rumors of potential take-overs by oil producers, rife since the Kuwaiti purchase of 14 percent of Daimler-Benz in November, prompted two such recent moves.

West Germany's largest commercial bank has agreed to buy 29 percent more of Daimler-Benz, doubling the bank's holdings in the company. Bonn officials have assured the public that the bank's new shares, worth more than $800 million, will be resold during the year to a domestic buyer. Another bank recently made a similar move to keep a major machine-tool builder in West German hands.

Chancellor Schmidt has repeatedly stated that oil dollar investment in West Germany is welcome as long as it does not involve a significant share of a strategically or politically important firm. It would appear that these categories include those financially sound, heavy industrial firms that the oil producers so far have shown the most interest in purchasing.

German private business is against a proposed law that would strengthen reporting requirements regarding sales of stock to foreigners. Banking and industry representatives are formulating a code of behavior as an alternative. The recent pre-emptive stock purchases may help to defuse public demands for greater controls.

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FOR THE RECORD

Cyprus: British officials on the Akrotiri air force base in southern Cyprus yesterday began a census to determine who among the 8,000-9,000 Turkish Cypriot refugees on the base wish to be evacuated to Turkey. The move was made despite protests from Greek and Greek Cypriot officials, who see the refugees as one of their few bargaining cards in the intercommunal talks. The evacuation by Turkish aircraft of the refugees, all of whom have thus far opted to go to Turkey rather than return to their homes in the Greek Cypriot sector, will begin tomorrow. The Turkish government is expected to resettle the refugees in the Turkish sector of Cyprus. The British are hopeful that the evacuation can go off without a major hitch, despite expected small-scale demonstrations by Greek Cypriots and the possible infiltration into the base of some Turkish Cypriots who want to join the evacuees.

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SOUTH KOREA: OPPOSITION TO THE PAK GOVERNMENT CONTINUES

The crisis atmosphere that pervaded South Korean politics during much of 1974 has subsided over the past month or so, but opposition to the Pak government is very much alive as Pak and his critics plan for the usual early spring upsurge of domestic dissent, sparked by the return of students to the campus.

Opposition Maneuvers

In recent weeks, street demonstrations in Seoul have virtually ceased. The students, Pak's most volatile opponents, are at home. Christian dissidents are generally limiting their activity to local protest meetings and petitions. Opposition political leaders, however, have continued to press their long-standing demands for Pak's resignation, reform of his authoritarian 1972 constitution, and the release of political prisoners.

The major opposition party, the New Democrats, is clearly preparing for a major anti-Pak campaign in the spring. The party has been setting up "constitutional revision centers" in major provincial cities, and party leader Kim Yong-sam plans to go to the US and Japan later this month to seek support. Kim hopes to meet with top US administration, congressional, and academic leaders, and Korean emigré groups as well.

Aside from the politicians, the strongly anti-Pak, educated urban elite apparently retains hopes of forcing him out. These intellectuals have been encouraged by the wide spectrum of business, religious, and political leaders who have come to the financial support of the independent and respected Tonga Ilbo, the Seoul newspaper that has been severely harassed by the government in recent weeks for covering the activities of dissident groups. The intellectuals have also been pleased by the strong reaction among Korean Christians to the deportation of George Ogle, an anti-Pak American missionary, and to the willingness of the Korean media to give extensive coverage to a recent incident of "political terror" in which groups of veterans under government

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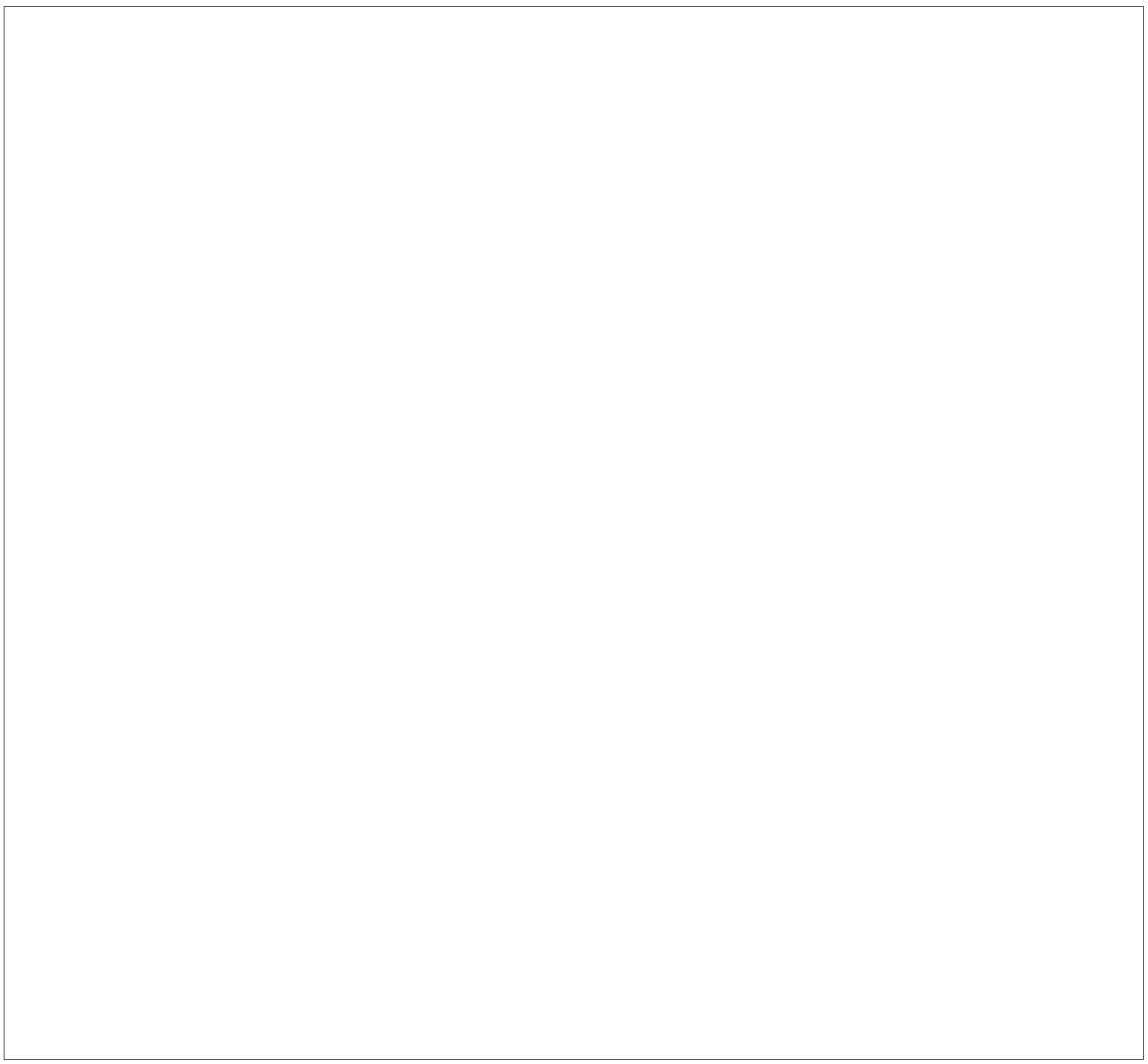
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orders used strong-arm tactics to break up an opposition party rally.

The Government Responses

The Pak government has generally tried to avoid such obvious acts of repression in recent months; it would rather avert confrontations than win them. But the regime has been active behind the scenes, monitoring closely the activities of student, religious, and other opposition leaders.

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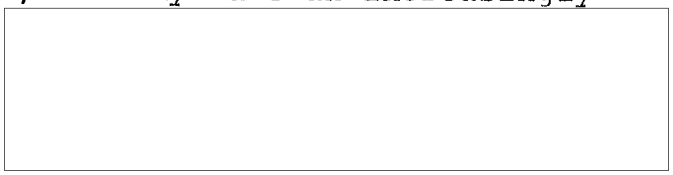


The Near-Term Outlooks

In his New Year's press conference on Tuesday, Pak was unyielding but not particularly harsh. The President may now feel that a measure of flexibility can succeed in moderating the opposition's anticipated spring campaign.

Pak's concept of what is best for the nation, however, is so at odds with the ideas of his critics--and their attitudes so much more adamant than a year ago--that the outlook for March and April is probably for more political infighting. If the economic situation gets bad enough, Pak may face an increasingly serious challenge.

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